

DEFENSE FINANCE AND ACCOUNTING SERVICE / MILITARY LEAVE AND EARNINGS STATEMENT														
ID	NAME (Last, First, MI)	SOC. SEC. NO.	GRADE	PAYDATE	YRS SRV	ETS	BRANCH	ADSN/DSSN	PERIOD COVERED					
	DOUGH, JOHN M.	000-55-5555	E2	000115	1	040122	NAVY	4015	1-31MAR01					
ENTITLEMENTS		DEDUCTIONS			ALLOTMENTS			SUMMARY						
Type	Amount	Type	Amount	Type	Amount	+ Amt Fwd								
A	BASEPAY		1169.10							.00				
B	BAH													
C	BAS													
D		FEDERAL TAXES	161.45							1,169.10				
E		FICA-SOC. SECURITY	72.48			DISCRETIONARY ALT	20.00							
F		FICA-MEDICARE	16.95			AFAF ALLOT	2.00			701.24				
G		SGLIFOR 50,000	4.00											
H		AFRH	.50							22.00				
I		DENTAL								445.86				
J		MID-MONTH-PAY	445.86							.00				
K														
L														
M														
N														
O														
TOTAL			1,169.10		701.24		22.00			\$445.86				
LEAVE	BF Bal	Used	Cr Fwd	ETS Bal	Lost	Lv PD	Use/Lose	FED TAXES	Wage Period	Wage YTD	M/S	Ex	Add Tax	Tax YTD
	15.0	3.0	18.0	68.0	.0	0.0	.0		1169.10	3507.30	M	.00	.00	484.35
FICA TAXES	Wage Period	Soc. Wage YTD	Soc. Tax YTD	VHA Zip	Med Wage YTD	Med Tax YTD	Med Tax YTD	STATE TAXES	Wage Period	Wage YTD	M/S	Ex	Add Tax	Tax YTD
	1169.10	3507.30	217.44	32506	3507.30	50.85	50.85	1169.10	1169.10	3507.30	M	.00	.00	.00
PAY DATA	BAQ Type	BAQ Depn	VHA Zip	Share	Rent Amt	Share	Stat	JFTR	Depns	2dJFTR	BAS Type	Charity YTD	TPC	FACIDN
			32506	1	575.00	1	A		0		B	6.00		
REMARKS														
YTD ENTITLEMENTS: 3,507.30 YTD Deductions: 766.14														
BAH BASE DON W/DEP, ZIP 32506														

THE THREE STEPS OF CAR BUYING

STEP ONE: DO YOU HOMEWORK

- ☐ **How much can you afford?**
 - Total Amount
 - Down Payment
 - Monthly Amount
 - Prepare a Spending Plan
 - Calculate Debt-to-Income Ratio
- ☐ **What type of car should you buy?**
 - New or Used
 - Size and Style
 - Safety and Performance
- ☐ **Where should you buy?**
 - Dealership
 - Private Seller
 - Internet
 - Car Buying Service
- ☐ **What is a Fair Price?**
 - Invoice vs. MSRP
 - Library and Internet
 - New and Used Car Cost Guides

STEP TWO: MAKE THE PURCHASE

- ☐ **Where will you finance?**
 - Credit Union
 - Bank
 - Dealership
 - Finance Company

- ☐ **How much will the money cost?**
 - Simple Interest
 - Add-on Interest
- ☐ **Should you lease?**
- ☐ **Negotiate a great deal**
 - Limit the information you give out
 - Shop Twins
 - Ask for Discounts
 - Take a Road Test
 - Avoid Unnecessary Add-ons
- ☐ **Know the “Tricks of the Trade”**
- ☐ **Exercise your legal rights**
 - Read all the contract details
 - Use the power of the pen
 - Have NLSO check out contract before signing
 - Take action if you have a complaint

STEP THREE: DECIDE ON YOU TRADE-IN

- ☐ **Trading vs. Selling**
- ☐ **What is a fair price?**
 - What is the dealer willing to pay?
 - Only negotiate AFTER you are done with your purchase and financing
- ☐ **What if you owe more than it is worth?**

DETERMINING CAR PAYMENTS

When purchasing new cars or vehicles, the most commonly asked question is:

“How much will my monthly payments be?”

The answer of course will depend on the amount financed, the number of months financed, and the interest rate.

Remember, the larger your down payment, the less your monthly payment will be.

To use the chart, the following steps apply:

1. Cross the interest rate with the number of months you wish to finance for and locate your multiplier. (For example: 9.5% at 36 months is .0320332, 9.5% at 48 months is .0248853, and 9.5% at 60 months is .021002).
2. Multiply the total amount you plan to finance by the multiplier and you will have your monthly payment.

(For example: \$10,591.00 at 9.5% for 36 months = \$10,591.00 x .0320332 = \$339.26 per month, \$10,591.00 at 9.5% for 48 months = \$10,591.00 x .025 1235 = \$266.08 per month, \$10,591.00 at 9.5% for 60 months = \$10,591.00 x .021002 = \$222.43 per month.)

%	36 Months	48 Months	60 Months
7%	.0308772	.0239465	.0198015
7.5%	.0311065	.024179	.020038
8%	.0313365	.0244131	.0202762
8.5%	.0315674	.024648	.0205168
9%	.0317999	.0248853	.0207582
9.5%	.0320332	.0251235	.021002
10%	.0322673	.0253624	.0212466
10.5%	.0325305	.0256322	.0215236
11%	.0327387	.0258452	.0217424
11.5%	.0329761	.0260891	.0219927
12%	.0332142	.0263337	.0222446
12.5%	.033454	.0265799	.0224981
13%	.0336938	.0268278	.0227533
13.5%	.0339351	.0270765	.0230101
14%	.0341773	.0273268	.0232685
14.5%	.0344212	.0275779	.0235285
15%	.034665	.0278307	.0237901
15.5%	.0349104	.028085	.0240534
16%	.0351567	.0283402	.0243183
16.5%	.0354046	.028597	.0245848
17%	.0356524	.0288554	.0248529
17.5%	.0356524	.0291146	.0251219
18%	.0359019	.0293746	.0253932

“SOURCES OF HELP”

Agencies

- Command Financial specialist
- NFSC – Financial Educators
- Armed Forces Disciplinary Control Board
- Better Business Bureau
- State Attorney General or Consumer Protection Agencies
- Credit Unions – Car Buying Assistance Programs
- National and local Automobile Dealers Associations (NADA)

Information

- Consumer magazines
- Kelley Blue Book and NADA Official Used Car Book
- New Car Pricing Guides (Edmunds, Intellichoice)
- Your Local Library

Web Sites

- www.lifelines4qol.org
- www.consumerworld.org
- www.nada.com
- www.kbb.com
- www.edmunds.com
- www.intellichoice.com
- www.autobytel.com
- www.carpaint.com
- www.autoweb.com
- www.autopedia.com

REMEMBER:

- ❑ Do your homework
- ❑ Keep it three separate transactions: your new car, the financing, and the purchase
- ❑ Have used cars checked by a trusted mechanic before purchase
- ❑ Have NLSO check the contract before signing
- ❑ Beware of the “tricks of the trade”
- ❑ Do your budget to KNOW what you can afford

7 Car Buying

INSTALLMENT SALE CONTRACT FOR TITLED VEHICLE AND EQUIPMENT

Account No.		Dealer No.	
Buyer (and Co-Buyer) Name(s) and Residence Address(es) John S. Sailor USS Always Sail FPO AE 09500-0001		Creditor (Seller) - Name and Business Address KLAMCA Motors, Inc. 804 Lemon Lane Norfolk, VA 23505	
After thorough examination, Buyer hereby buys from Seller, grants Seller a security interest in, and acknowledges delivery and acceptance of the following described property ("Property") at the price and upon conditions herein stated, this Contract being valid only upon purchase and acceptance by assignee. This sale is not contingent upon financing on terms satisfactory to the parties hereto.			
DESCRIPTION OF PROPERTY			
New or Used	Year	Make and Model	Body Type
Used	91	Buick Skylark	2 DR COUP
Vehicle Identification Number		Primary Use Intended	
4G3RF1234BB567890		<input checked="" type="checkbox"/> Personal <input type="checkbox"/> Business	
<input checked="" type="checkbox"/> Air Conditioning <input type="checkbox"/> Radio <input checked="" type="checkbox"/> 4-5 Speed Trans. <input type="checkbox"/> Power Steering		<input checked="" type="checkbox"/> Agricultural <input type="checkbox"/> Other	
<input type="checkbox"/> Sun Roof <input checked="" type="checkbox"/> Stereo <input checked="" type="checkbox"/> Automatic Trans.		<input type="checkbox"/> Custom Wheels	
<input type="checkbox"/> Other (describe)		Odometer Miles	
		75,249	

THE FINANCE CHARGE IS CALCULATED ON A ☐ Precomputed ☒ Simple Interest Basis

FEDERAL TRUTH-IN-LENDING DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	AMOUNT FINANCED	TOTAL OF PAYMENTS	TOTAL SALE PRICE
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.	The total amount of your purchase on credit, including your downpayment of \$ 380.37
17.90 %	\$ 2617.63	\$ 8025.86	\$ 10643.49	\$ 11023.86

YOUR PAYMENT SCHEDULE WILL BE

NUMBER OF PAYMENTS	AMOUNT OF PAYMENTS	WHEN PAYMENTS ARE DUE
39	\$ 272.91	Monthly Beginning 05/14/97
A Final Payment of	\$	Due On

Late Charge. If a payment is not paid in full within 7 days after it is due, you will pay a late charge of 5% of amount of payment due.
Prepayment. If you pay off early on a Contract with a precomputed finance charge, you will be entitled to a refund of part of finance charge. If the finance charge is calculated on a simple interest method, you may have to pay a prepayment penalty.
Security Interest. You are giving a security interest in the Property and related equipment being purchased and in our right of setoff.

ITEMIZATION OF AMOUNT FINANCED

1. Cash Price (including any accessories, services, and taxes)	\$ 6595.00
2. Total Downpayment = Net Trade-in \$ 0.00 + Cash Downpayment \$ 380.37	
Your trade-in is a (YEAR) (MAKE) (MODEL)	\$ 380.37
3. Unpaid Balance of Cash Price (1 minus 2)	\$ 6214.63
4. Other Charges Including Amounts Paid to Others on Your Behalf:	
A. Cost of Required Physical Damage Insurance Paid to the Insurance Company Named Below - Covering Damage to the Vehicle.	\$ 710.00
B. Cost of Optional Mechanical Repair Coverage for Certain Mechanical Repairs	\$ 720.86
C. Cost of Optional Credit Insurance for the Term of this Contract	
Life \$ 0.00 Accident and Health \$ 0.00 Total	\$ 0.00
D. Official Fees Paid to Government Agencies	\$ 19.52
E. Taxes Not Included in Cash Price	\$ 197.85
F. Government License and/or Registration Fees (itemize)	\$ 125.00
G. Government Certificate of Title Fees	\$ 38.00
H. Other Charges (Seller must identify who will receive payment and describe Purpose	
to Road USA for Car Club	\$ 0.00
to for	\$
Total Charges and Amounts Paid to Others on Your Behalf	\$ 1811.23
5. Amount Financed — Unpaid Balance (amount of credit you will receive) (3+4)	\$ 8025.86

Please Complete Reverse

7 Car Buying

Insurance. If any insurance is checked below, coverage will become effective only if insurer issues a policy or certificate which will describe the terms and conditions of coverage.

Optional Credit Insurance. Credit life and accident and health insurance are not required to obtain credit and will not be provided unless you sign below and agree to pay the additional cost(s)

TYPE	PREMIUM		SIGNATURE OF INSURED PARTY	BIRTH DATE
Credit Life Insurance	\$	I want Credit Life Insurance		
Joint Credit Life	\$	We want Joint Credit Life Insurance		
Accident & Health Insurance	\$	I want Accident & Health Insurance (Buyer only)		

Required Physical Damage Insurance. Physical damage insurance is required, but you may obtain it from anyone you choose who is acceptable to the Creditor. If obtained through Creditor, the following applies.

Insurance Company: Guaranteed Expense Term: 15 months Cost for Term: \$ 710

☒ \$ 500 Deductible Collision and either

☒ Full Comprehensive including Fire, Theft, and Combined Additional Coverage

☐ \$ _____ Deductible Comprehensive including Fire, Theft, and Combined Additional Coverage

☐ Fire, Theft, and Combined Additional Coverage

Optional, if desired

☐ Towing and Labor costs ☐ Rental Reimbursement ☐ CB Radio Equipment

Optional Mechanical Repair Coverage. If Buyer selects this optional coverage, the cost will be listed on line 4B on reverse.

INSURANCE CO. Broke-N-Down

TERM ☒ 36 months or 36,000 miles, whichever occurs first

TERM ☐ _____

DEDUCTIBLE ☐ \$25 ☒ \$50 ☐ \$ _____

NO LIABILITY INSURANCE INCLUDED

Receipt of Goods and Promise to Pay. You agree that you have received the vehicle and/or services described above and have accepted delivery of the vehicle in good condition. You promise to pay the Creditor the Total Sales Price shown above by making the Total Downpayment and paying the Creditor the Total of Payments in accordance with the Payment Schedule shown above and all other amounts due under this contract.

DO NOT SIGN THIS CONTRACT BEFORE YOU READ IT OR IF IT CONTAINS BLANK SPACES.
YOU ARE ENTITLED TO AN EXACT COPY OF THE CONTRACT YOU SIGN.

Buyer acknowledges receipt of a filled-in copy of this Contract and agrees to all terms and conditions hereof.

John S. Sailor

BUYER'S SIGNATURE

CO-BUYER'S SIGNATURE

ACCEPTED

KLAMC Motors, Inc.

CREDITOR

BY

Fred Salesman

SIGNATURE AND TITLE

[FOR DEMONSTRATION PURPOSES ONLY]

Note: Actual documents will contain fine print on reverse. READ ALL THE FINE PRINT. Be sure to ask questions if you need clarification.

CAR BUYING WORKSHEET

	Vehicle A	Vehicle B	Vehicle C
Base Price			
Automatic?			
Air Conditioning?			
Radio/Stereo?			
Other Options			
Discounts/Rebates			
Sub Total			
Taxes, Title, Tag			
Total Cost			
Down Payment			
Amount Financed			
Interest Rate/Yrs			
Monthly Payments			